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1 UNITED STATES DISTRICT COURT
2 SOUTHERN DISTRICT OF NEW YORK
3 -----x

4 UNITED STATES OF AMERICA,

5 v.

25 Cr. 13 (DEH)

6 ERDEN ARKAN,

7 Defendant.

Plea

8 New York, N.Y.
9 January 10, 2025
10 12:00 p.m.

11 Before:

12 HON. DALE E. HO,

13 District Judge

14 APPEARANCES

15 EDWARD Y. KIM
16 Acting United States Attorney for
the Southern District of New York
17 BY: CELIA V. COHEN
HAGAN C. SCOTTEN
Assistant United States Attorneys

18 POTOMAC LAW GROUP
19 Attorneys for Defendant
BY: JONATHAN ROSEN

20 Also Present: Cansu Kaptaner, Interpreter (Turkish)
21 Special Agent Jacob Balog, FBI

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1 (Case called; appearances noted)

2 THE COURT: Good afternoon.

3 Good afternoon, Mr. Arkan. Please have a seat.

4 Before we get underway, my understanding is that we
5 have an interpreter present today, so I will ask Ms. Morales,
6 my courtroom deputy, to swear her in.

7 (Interpreter sworn)

8 THE COURT: OK. I understand that we're here today
9 because Mr. Arkan wishes to plead guilty to Count One of the
10 information in this case. Is that correct?

11 MR. ROSEN: Yes, your Honor.

12 THE COURT: OK. Before I do that, I understand,
13 Mr. Rosen, you have submitted a motion for admission *pro hac*
14 *vice*.

15 MR. ROSEN: Your Honor, it's a prospective motion.
16 Technically, I cannot have one filed until I have a case
17 number. Thus, I provided the Court with a draft order for the
18 Court to consider, and once a case -- assuming the motion's
19 granted, the oral motion, I will perfect that by having the
20 paperwork filed forthwith.

21 THE COURT: OK. Thank you, Mr. Rosen. I'll grant the
22 oral motion for purposes of today --

23 MR. ROSEN: Thank you.

24 THE COURT: -- provisionally.

25 MR. ROSEN: Yes.

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1 THE COURT: And then once we have a case number, you
2 can file the appropriate paperwork.

3 MR. ROSEN: Thank you, your Honor.

4 THE COURT: OK. Thank you.

5 OK. Now, Mr. Arkan, before I can accept a plea of
6 guilty from you today, I have to ask a certain number of
7 questions so that I can establish to my satisfaction that you
8 wish to plead guilty because you are guilty and not for some
9 other reason and also to establish that you know what you'll be
10 giving up by pleading guilty. If you don't understand any of
11 my questions or if you want to consult with your lawyer at any
12 time for any reason, just let me know, and I will give you as
13 much time as you need, because it is essential in order to have
14 a valid plea that you understand each of my questions before
15 you answer them.

16 Is that OK? Do you understand?

17 THE DEFENDANT: Yes, your Honor.

18 THE COURT: OK. Ms. Morales, would you please swear
19 in Mr. Arkan.

20 (Defendant sworn)

21 THE COURT: Mr. Arkan, you're now under oath, which
22 means that if you answer any of my questions falsely, you may
23 be prosecuted for the separate crime of perjury.

24 Do you understand that?

25 THE DEFENDANT: Yes, your Honor.

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1 THE COURT: What is your full name?

2 THE DEFENDANT: Erden Arkan. (in English)

3 THE COURT: Would you spell that, please.

4 THE DEFENDANT: E-R-D-E-N A-R-K-A-N. (in English)

5 THE COURT: And how old are you?

6 THE DEFENDANT: As of today, 76. (in English)

7 THE COURT: Are you a United States citizen?

8 THE DEFENDANT: Yes. (in English)

9 THE COURT: OK. I have to ask that question because
10 there are certain possible consequences for noncitizens that I
11 will have to go over.

12 Are you a natural-born United States citizen; that is,
13 were you born here? Or were you born elsewhere and then did
14 you become a citizen via naturalization?

15 THE DEFENDANT: I'm a naturalized U.S. citizen.

16 THE COURT: OK. So there are some potential
17 consequences for naturalized citizens for a guilty judgment
18 that I will have to go over with you later, but before that,
19 how far did you go in school?

20 THE DEFENDANT: Four years' college degree. (in
21 English)

22 THE COURT: And where?

23 THE DEFENDANT: Turkey. (in English)

24 THE COURT: Have you ever been hospitalized or treated
25 for any mental illness?

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1 THE DEFENDANT: No.

2 THE COURT: Are you now or have you recently been
3 under the care of a doctor or a mental health professional,
4 such as a psychiatrist or a psychologist?

5 THE DEFENDANT: No. No, I'm not.

6 THE COURT: Have you ever been treated or hospitalized
7 for any type of addiction, including drug or alcohol addiction?

8 THE DEFENDANT: No, your Honor.

9 THE COURT: Have you taken any drugs, medicine or
10 pills or drunk any alcoholic beverages in the last two days?

11 THE DEFENDANT: No, your Honor. (in English)

12 THE COURT: Is your mind clear today?

13 THE DEFENDANT: Yes, it is. (in English)

14 THE COURT: And do you understand what is happening in
15 these proceedings today?

16 THE DEFENDANT: Yes, I understand.

17 THE COURT: Mr. Rosen, have you discussed this matter
18 with your client -- Mr. Arkan?

19 MR. ROSEN: Yes, your Honor.

20 THE COURT: And does he understand the rights he would
21 be waiving by pleading guilty?

22 MR. ROSEN: Absolutely.

23 THE COURT: And is he capable of understanding today's
24 proceedings?

25 MR. ROSEN: Absolutely.

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1 THE COURT: Does counsel for either side have any
2 doubt as to Mr. Arkan's competence to plead at this time?

3 MR. ROSEN: None by the defense.

4 MS. COHEN: No, your Honor.

5 THE COURT: On the basis of Mr. Arkan's responses to
6 my questions, my observations of his demeanor here in court and
7 the representations of counsel, I find that Mr. Arkan is fully
8 competent to enter an informed plea of guilty at this time.

9 Now, Mr. Arkan, have you received a copy of the
10 information which contains the charge against you?

11 THE DEFENDANT: Yes, your Honor.

12 THE COURT: Was it translated for you, or did you read
13 it?

14 THE DEFENDANT: Yes, but I read it. (in English)
15 Yes, I read it.

16 THE COURT: Do you waive public reading of it, or
17 would you like to have me read it aloud in open court?

18 (Counsel conferred with defendant)

19 THE DEFENDANT: I waive the reading.

20 THE COURT: Have you had enough of a chance to discuss
21 with Mr. Rosen the charge to which you intend to plead guilty
22 and any possible defenses to that charge?

23 THE DEFENDANT: Yes. (in English) Yes.

24 THE COURT: Has your lawyer explained to you the
25 consequences of entering a plea of guilty?

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1 THE DEFENDANT: Yes, he did. (in English)

2 THE COURT: Are you satisfied with Mr. Rosen's
3 representation of you?

4 THE DEFENDANT: Yes. Yes, your Honor. (in English)

5 THE COURT: OK. I have a waiver-of-indictment form
6 here, which appears to have been signed by you.

7 Is this your signature which appears on the form?

8 (Counsel conferred with defendant)

9 THE DEFENDANT: Yes, your Honor. (in English)

10 THE COURT: And before you signed it, did you discuss
11 it with your lawyer?

12 THE DEFENDANT: Yes. (in English)

13 THE COURT: And did Mr. Rosen explain it to you?

14 THE DEFENDANT: Yes, your Honor. (in English)

15 THE COURT: And you understand that you have no
16 obligation to waive indictment.

17 THE DEFENDANT: Yes, I know. (in English)

18 THE COURT: Now, you understand that if you did not
19 waive indictment and if the government wanted to prosecute you,
20 it would have to present your case to a grand jury, which could
21 choose whether or not to indict you.

22 THE DEFENDANT: Yes, I know. (in English)

23 THE COURT: And you understand that by waiving
24 indictment you're giving up your right to have this case
25 presented to a grand jury.

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1 THE DEFENDANT: Yes, your Honor. (in English)

2 THE COURT: And you understand what a grand jury is;
3 it's a body composed of 23 people of which at least 16 must be
4 present and a grand jury cannot charge a defendant unless at
5 least 12 of them vote for an indictment based on probable
6 cause.

7 Do you understand that?

8 THE DEFENDANT: Yes, your Honor. (in English)

9 THE COURT: Does either counsel know of any reason
10 that I should not find that the defendant has knowingly and
11 voluntarily waived his right to be indicted by a grand jury?

12 MS. COHEN: No, your Honor.

13 MR. ROSEN: No, your Honor.

14 THE COURT: OK. I find that the defendant has
15 knowingly and voluntarily waived his right to be indicted by a
16 grand jury, and I authorize the filing of the information in
17 this case.

18 Mr. Arkan, I'm going to go over certain rights that
19 you have. These are rights that you are giving up by entering
20 a guilty plea. Now, again, you have the right to change your
21 mind about your plea after I've gone over everything with you,
22 so just please listen carefully to what I'm about to say. And
23 if you don't understand anything, stop me and your lawyer or I
24 will explain it more fully to you. OK?

25 THE DEFENDANT: Yes, your Honor. (in English)

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1 THE COURT: Under the Constitution and laws of the
2 United States, you have a right to plead not guilty to the
3 charge in the information.

4 Do you understand that?

5 THE DEFENDANT: Yes, I know. (in English)

6 THE COURT: And if you did plead not guilty, you would
7 be entitled to a speedy and public trial by a jury on the
8 charge contained in the information.

9 Do you understand that?

10 THE DEFENDANT: Yes, I know. (in English)

11 THE COURT: And at the trial, you would be presumed to
12 be innocent. What that means is you would not have to prove
13 that you were innocent. Instead, the government would be
14 required to prove that you were guilty with competent evidence
15 beyond a reasonable doubt before a jury could find you guilty.

16 Do you understand that?

17 THE DEFENDANT: Yes, I know. (in English)

18 THE COURT: Now, in order to find you guilty, a jury
19 of 12 people would have to agree unanimously -- that means all
20 of them would have to agree -- that you were, in fact, guilty.

21 Do you understand that?

22 THE DEFENDANT: Yes, I know. (in English)

23 THE COURT: At that trial and at every stage of your
24 case, you would be entitled to be represented by a lawyer, and
25 if you couldn't afford a lawyer, one would be appointed at

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1 public expense, free of cost, to represent you.

2 Do you understand that?

3 THE DEFENDANT: Yes, I know, your Honor. (in English)

4 THE COURT: Now, during a trial, witnesses for the
5 government would have to come here to court and testify in your
6 presence. Your lawyer could cross-examine witnesses for the
7 government, object to any evidence offered by the government
8 and also offer evidence on your own behalf if you so desired.
9 And you'd have the right to use the court's power to have
10 subpoenas issued or other process used to compel witnesses to
11 testify on your behalf, in your defense, if you so chose.

12 Do you understand that?

13 THE DEFENDANT: Yes, your Honor. (in English)

14 THE COURT: Now, at trial, you'd have the right to
15 testify if you chose to do so, and you'd also have the right
16 not to testify. And if you decided not to testify, no one,
17 including the jury, could draw any inference or suggestion of
18 guilt from the fact that you chose not to testify.

19 Do you understand that?

20 THE DEFENDANT: Yes, your Honor. (in English)

21 THE COURT: Now, before the trial, you would have an
22 opportunity to seek suppression of some or all of the evidence
23 the government might use against you at trial on the ground
24 that your constitutional rights were violated.

25 Do you understand that?

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1 THE DEFENDANT: Yes, your Honor. (in English)

2 THE COURT: Now, I understand that as a part of your
3 plea agreement, you're waiving the right to receive what are
4 called discovery materials before trial, but you have a right
5 to those materials. Those materials include all information,
6 whether admissible or not, that is favorable to you, material
7 either to guilt or to punishment and known to the prosecution.
8 This includes what's called impeachment material, which means
9 any information that could tend to undermine the credibility of
10 any witnesses for the prosecution.

11 Under normal circumstances, the government must make a
12 good faith effort to disclose that information to you and your
13 attorney as soon as reasonably possible, and a failure by the
14 prosecution to do so could result in a number of consequences,
15 including a continuance -- that's a delay; sanctions,
16 dismissal; or vacatur of conviction.

17 Do you understand that you're giving up your right to
18 receive those materials before trial?

19 THE DEFENDANT: Yes, I do. (in English)

20 THE COURT: If you were convicted at trial, you would
21 have the right to appeal the verdict and any pretrial rulings
22 that I made.

23 Do you understand that?

24 THE DEFENDANT: Yes. (in English)

25 THE COURT: If you plead guilty, you will also have to

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1 give up your right not to incriminate yourself, because I may
2 ask you questions about what you did in order to satisfy myself
3 that you are, in fact, guilty as charged, and you will have to
4 admit and acknowledge your guilt.

5 Do you understand that?

6 THE DEFENDANT: Yes, I do, your Honor. (in English)

7 THE COURT: Now, if you plead guilty and if I accept
8 your plea, you will give up your right to a trial and all the
9 other rights that I discussed other than your right to a
10 lawyer. You have that right whether or not you plead guilty,
11 but there will be no trial, and I will enter a judgment of
12 guilty and sentence you on the basis of your plea after I have
13 considered what's called a presentence report. That's a
14 document prepared by the department of probation. And I'll
15 also consider whatever submissions I get from your lawyer and
16 from the government, but there will be no appeal with respect
17 to whether the government could use the evidence it has against
18 you or with respect to whether or not you did or did not commit
19 the crime.

20 Do you understand that?

21 THE DEFENDANT: Yes, your Honor. (in English)

22 THE COURT: OK. Even now, as you're entering your
23 plea, you still have the right to change your mind and plead
24 not guilty and to go to trial on the charge contained in the
25 information.

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1 Do you understand that?

2 THE DEFENDANT: Yes, your Honor. (in English)

3 THE COURT: Do you understand each and every one of
4 the rights that I have explained to you?

5 THE DEFENDANT: Yes, I do. (in English)

6 THE COURT: And Mr. Arkan, are you willing to give up
7 your right to trial and all of the other rights that I have
8 just described to you?

9 THE DEFENDANT: Yes, I accept. (in English)

10 THE COURT: OK.

11 I'm now going to go over the offense to which you're
12 pleading guilty and the possible consequences of a guilty plea.

13 Counsel, I invite you to interrupt me at any time if
14 you think I've misstated anything.

15 Mr. Arkan, do you understand that you are charged on
16 Count One with conspiracy to commit an offense against the
17 United States in connection with straw donations, in violation
18 of 18 U.S.C., Section 371?

19 (Counsel conferred with defendant)

20 THE DEFENDANT: I know, your Honor, yes. (in English)

21 THE COURT: Ms. Cohen could, would you please state
22 the elements of the offense in question.

23 MS. COHEN: Yes, your Honor.

24 If this matter were to proceed to trial, the
25 government would have to establish beyond a reasonable doubt

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1 the following:

2 First, the existence of the conspiracy charged in
3 Count One of the information -- that is, a mutual
4 understanding, either spoken or unspoken, between two or more
5 people, to commit wire fraud;

6 Second, the defendant knowingly and willfully became a
7 member of and joined in the conspiracy; and

8 Third, the commission of an overt act in furtherance
9 of the conspiracy by at least one of the conspirators.

10 Today, the defendant need not allocute to the elements
11 of substantive wire fraud, but for the Court's information the
12 elements of that offense are a scheme or artifice to defraud or
13 to obtain money or property by materially false and fraudulent
14 pretenses, representations or promises, knowing and willful
15 participation in the scheme or artifice to defraud with
16 knowledge of its fraudulent nature and with specific intent to
17 defraud, and use of interstate wires in execution of that
18 scheme.

19 The government would also have to establish by a
20 preponderance of the evidence venue in the Southern District of
21 New York.

22 THE COURT: Thank you, Ms. Cohen.

23 Now, Mr. Arkan, do you understand that if you were to
24 go to trial, the government would have to prove all of those
25 elements that Ms. Cohen just listed beyond a reasonable doubt

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1 and also that venue is proper here in the Southern District of
2 New York by a preponderance of the evidence?

3 THE DEFENDANT: Yes, your Honor, I do understand. (in
4 English)

5 THE COURT: Now I'm going to tell you about the
6 maximum possible penalty for this crime. The maximum means the
7 most that you could possibly receive. It doesn't mean that's
8 what you necessarily will receive, but you have to understand
9 that by pleading guilty, you're exposing yourself to the
10 possibility of receiving any combination of punishments up to
11 the maximum that I am about to describe.

12 Do you understand that?

13 THE DEFENDANT: I do. Yes, your Honor. (in English)

14 THE COURT: OK. First I'm going to tell you about the
15 possible restrictions on your liberty.

16 The maximum term of imprisonment for this crime is
17 five years of imprisonment which could be followed by up to a
18 maximum term of three years of supervised release.

19 Supervised release means you will be subject to
20 supervision by the probation department. There will be rules
21 of supervised release that you'll have to follow, and if you
22 violate those rules, you can be returned to prison without a
23 jury trial to serve additional time with no credit for time you
24 served in prison as a result of your sentence and no credit for
25 any time spent on postrelease supervision.

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1 Do you understand that?

2 THE DEFENDANT: Yes, your Honor. (in English)

3 THE COURT: You should also understand that there's no
4 parole in the federal system, and so if you're sentenced to
5 prison, you will not be released early on parole. There is a
6 limited opportunity, however, to receive credit for good
7 behavior, but you will have to serve at least 85 percent of the
8 time that you're sentenced to.

9 Do you understand that?

10 THE DEFENDANT: Yes, your Honor. (in English)

11 THE COURT: In addition to these restrictions on your
12 liberty, the maximum possible punishment also includes certain
13 financial penalties.

14 The maximum allowable fine here is \$250,000, or twice
15 the gross pecuniary gain derived from the offense or twice the
16 gross pecuniary loss to other persons resulting from the
17 offense, whichever is greater.

18 In addition, the Court must order restitution to any
19 person or entity injured as a result of your criminal conduct,
20 and I understand that your agreement includes a provision to
21 make restitution in this case.

22 The Court can also order you to forfeit all property
23 derived from the offense or used to facilitate the offense.

24 Finally, I must also order a mandatory assessment of
25 \$100.

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1 Do you understand that these are the possible maximum
2 financial penalties for this offense?

3 THE DEFENDANT: Yes, your Honor, I do. (in English)

4 THE COURT: Now, I asked before, Mr. Arkan, if you're
5 a United States citizen.

6 THE DEFENDANT: Yes, I am U.S. citizen. (in English)

7 THE COURT: And I believe you said you're a
8 naturalized citizen. Is that correct?

9 THE DEFENDANT: Yes. Yes, your Honor. (in English)

10 THE COURT: OK. So do you understand that as a result
11 of your guilty plea, there could be adverse effects on your
12 immigration status?

13 You or anyone who obtained derivative citizenship
14 through you may be denaturalized and then detained by
15 immigration authorities following completion of your sentence,
16 removed or deported from the United States, denied citizenship
17 and denied admission to the United States in the future.

18 THE DEFENDANT: Yes. Yes, your Honor. (in English)

19 THE COURT: Did you discuss these possible immigration
20 consequences of your plea with your attorney?

21 THE DEFENDANT: Yes, your Honor. (in English)

22 THE COURT: OK. And do you understand that as a
23 result of your guilty plea, you may also lose certain valuable
24 civil rights, to the extent that you have them or could
25 otherwise obtain them, such as the right to vote, the right to

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1 hold office, the right to serve on a jury and the right to
2 possess any kind of firearm?

3 THE DEFENDANT: Yes, your Honor. (in English)

4 THE COURT: Are you currently serving any other
5 sentence, state or federal, or being prosecuted in any state
6 court for any crime?

7 THE DEFENDANT: No. No, your Honor. (in English)

8 THE COURT: Do you understand that if your lawyer or
9 anyone else has attempted to predict what your sentence will
10 be, that their prediction could be wrong?

11 That's because no one, not your lawyer, not the
12 government's lawyer -- no one -- can give you any assurance of
13 what your sentence will be, because I am the one who is going
14 to decide your sentence. I'm not going to do that now. I'm
15 going to wait until I receive a presentence report -- that's
16 the document I mentioned earlier prepared by the probation
17 department. I have to do my own, independent calculation of
18 the sentencing guidelines range that applies here. I have to
19 consider that and any possible departures from it, and I also
20 have to determine ultimately what a reasonable sentence is for
21 you based on the submissions from your lawyer, the submissions
22 from the government, everything that I've described, and the
23 sentencing factors that are set forth under federal law, a
24 statute found at 18 U.S.C. Section 3553(a).

25 Do you understand that?

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1 THE DEFENDANT: I do. Yes, your Honor. (in English)

2 THE COURT: And have you discussed this with your
3 lawyer?

4 THE DEFENDANT: Yes, I do. (in English)

5 THE COURT: Now, even if your sentence is different
6 from what your lawyer or anyone else has told you it might be,
7 even if it's different from what you expect or what's contained
8 in your written plea agreement with the government, you will
9 still be bound by your guilty plea after today, and you will
10 not be allowed to withdraw your plea of guilty.

11 Do you understand that?

12 THE DEFENDANT: Yes, your Honor. (in English)

13 THE COURT: Now, I understand there's a written plea
14 agreement entered into between you and your lawyer and the
15 lawyer for the government. Is that correct?

16 (Counsel conferred with defendant)

17 THE DEFENDANT: Yes. Yes, your Honor. (in English)

18 THE COURT: I have a copy of it here, Mr. Arkan. It's
19 dated December 19, 2024. It's signed by your lawyer,
20 Mr. Rosen, by you and one of the lawyers for the government,
21 Mr. Rohrbach.

22 Did you sign the original of the plea agreement on the
23 last page?

24 (Counsel conferred with defendant)

25 THE DEFENDANT: Yes, I did. (in English)

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1 THE COURT: And did you do that in the presence of
2 your attorney?

3 (Counsel conferred with defendant)

4 THE DEFENDANT: Yes. Yes, your Honor. (in English)

5 THE COURT: And did you read it before you signed it,
6 or was it translated for you?

7 THE DEFENDANT: Yes, I read it. (in English)

8 THE COURT: You read it yourself.

9 THE DEFENDANT: Yes. (in English)

10 THE COURT: And did you discuss it with Mr. Rosen
11 before you signed it?

12 THE DEFENDANT: Yes, I did, your Honor. (in English)

13 THE COURT: OK. Did you fully understand it before
14 you signed it.

15 THE DEFENDANT: Yes, I understand. (in English)

16 THE COURT: Now, one of the features of your agreement
17 with the government is that you've agreed on the sentencing
18 guidelines range that applies in this case. Again, that
19 agreement is binding on you and it's binding on the government,
20 but it's not binding on me. I have my own obligation to
21 determine what the correct sentencing guidelines range is here
22 and ultimately what the appropriate sentence is in your case.
23 I'm not saying that I'm going to come up with anything
24 different from what you've agreed on with the government, but
25 even if I do, I will not let you withdraw your plea even if I

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1 determine that the range is different or higher than the one to
2 which you agreed.

3 Do you understand that?

4 THE DEFENDANT: Yes, your Honor. (in English)

5 THE COURT: Now, another feature of your agreement is
6 that you agree to make restitution payments in the amount of
7 \$18,000.

8 Is that correct, and do you understand that?

9 THE DEFENDANT: Yes, your Honor. (in English)

10 THE COURT: Now, in your plea agreement, you have
11 waived your right to appeal or otherwise challenge any sentence
12 that is within or below the stipulated guidelines range of zero
13 to six months of imprisonment. In other words, if I sentence
14 you to six months or anything less than that, you would have no
15 right to appeal or otherwise try to challenge that sentence.

16 Do you understand that?

17 (Counsel conferred with defendant)

18 THE DEFENDANT: Yes, I do. (in English)

19 THE COURT: Your plea agreement also specifies a
20 stipulated guidelines fine range of between 1,000 to \$9,500.
21 In other words, if I impose a fine of \$9,500 or anything less
22 than that, you'd have no right to appeal or otherwise try to
23 challenge that fine.

24 Do you understand that?

25 THE DEFENDANT: Yes, I do. (in English)

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1 (Counsel conferred with defendant)

2 THE COURT: Does the written plea agreement constitute
3 your complete and total understanding of the entire agreement
4 between you and the government?

5 (Counsel conferred with defendant)

6 THE DEFENDANT: Yes, I did, your Honor. (in English)

7 THE COURT: Has anything been left out of that
8 agreement?

9 THE DEFENDANT: No, your Honor. (in English)

10 THE COURT: Other than what is written in the
11 agreement, has anyone made any promise to you or offered you
12 anything or any inducement to plead guilty or to sign the
13 agreement?

14 THE DEFENDANT: No, your Honor. (in English)

15 THE COURT: Has anyone threatened you or forced you to
16 plead guilty or to sign the plea agreement?

17 THE DEFENDANT: No, your Honor. (in English)

18 THE COURT: Has anyone made a promise to you as to
19 what your sentence will be?

20 THE DEFENDANT: No, your Honor. (in English)

21 THE COURT: OK. Now, Mr. Arkan, would you please tell
22 me in your own words what you did that makes you believe that
23 you are guilty of the charge in the information.

24 THE DEFENDANT: In April 2021, I used funds from the
25 corporation where I served as a principal to write checks to

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1 employees. I wrote the checks to fund the contributions by the
2 employees to Eric Adams's campaign for New York City mayors
3 2021. The checks which I wrote the employees were given to the
4 campaign. When I wrote the checks, I knew that the Adams
5 campaign would use the checks to apply for public matching
6 program.

7 THE COURT: OK. Thank you, Mr. Arkan.

8 Do we have any kind of representation or stipulation
9 as to the venue?

10 MR. ROSEN: Yes, your Honor. We stipulate that the
11 venue for this offense is in the Southern District of New York.

12 THE COURT: OK.

13 Ms. Cohen, are there any questions you'd like me to
14 possess to Mr. Arkan?

15 MS. COHEN: Your Honor, the government would proffer
16 that there were interstate wires used as part of the
17 conspiracy; that is, to include electronic communications and
18 the submission of an application for matching funds.

19 THE COURT: Mr. Rosen.

20 MR. ROSEN: We'll stipulate, your Honor, to those
21 facts.

22 THE COURT: OK. Thank you.

23 Anything else, Ms. Cohen?

24 MS. COHEN: No, your Honor.

25 THE COURT: Mr. Arkan, when you did these things, did

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1 you know that what you were doing was wrong and illegal?

2 (Counsel conferred with defendant)

3 THE DEFENDANT: Yes. (in English)

4 THE COURT: And having discussed everything that we've
5 gone over today, do you still wish to plead guilty?

6 THE DEFENDANT: Yes, I do. (in English)

7 THE COURT: Mr. Rosen, do you know of any valid
8 defense that would prevail at trial, or do you know of any
9 reason why your client should not be permitted to plead guilty?

10 MR. ROSEN: No, your Honor.

11 THE COURT: Ms. Cohen, would you summarize what the
12 government's evidence would be and what it would prove if
13 Mr. Arkan were to go to trial.

14 MS. COHEN: Yes, your Honor.

15 At trial, the government would establish that the
16 defendant agreed to, and did, orchestrate straw contributions
17 to official-1's 2021 campaign for New York City mayor,
18 understanding that official-1's campaign would seek public
19 funds from New York City based on a misrepresentation that the
20 listed contributors were the true contributors and that the
21 defendant transmitted and caused to be transmitted electronic
22 communications to and from the Southern District of New York
23 and elsewhere in furtherance of that scheme.

24 This scheme was planned in consultation with a Turkish
25 consular official in New York, including at a meeting at a

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1 restaurant during which official-1 solicited donations from the
2 defendant. The defendant then arranged to host a fund-raiser
3 for official-1 at the offices of the defendant's construction
4 company.

5 Prior to the fund-raiser, the defendant directed that
6 his company provide \$1,250 per employee to ten of its
7 employees. Each of those employees then contributed that
8 amount to official 1's 2021 campaign, with the exception of one
9 employee who donated in his wife's name and another who donated
10 \$1,200 of the funds.

11 In an effort to meet official-1's fund-raising
12 expectations, the Turkish consular official also sent checks to
13 the defendant in advance of the fund-raiser. The defendant
14 kept the consular official apprised of the total dollar amount
15 raised and told him after the fund-raiser that official-1's
16 assistants were very happy.

17 Based on eight of these straw donations that were made
18 in the names of New York City residents, official-1's 2021
19 campaign requested public funds from the New York City Campaign
20 Finance Board in Manhattan and fraudulently obtained public
21 funds to which the campaign was not entitled.

22 The government would establish these facts at trial
23 through witness testimony, photographs and video, electronic
24 messages, bank records and records from the New York City
25 Campaign Finance Board.

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1 THE COURT: Thank you.

2 Does either counsel know of any reason -- I'm sorry.

3 Do both counsel agree that there is a sufficient
4 factual predicate for the guilty plea?

5 MS. COHEN: Yes, your Honor.

6 MR. ROSEN: Yes, your Honor?

7 THE COURT: Does either counsel know of any reason
8 that I should not accept Mr. Arkan's guilty plea?

9 MS. COHEN: No, your Honor.

10 MR. ROSEN: No, your Honor.

11 THE COURT: OK.

12 Mr. Arkan, because you acknowledge that you are, in
13 fact, guilty as charged in the information; because I am
14 satisfied that you know of your rights, including your right to
15 go to trial, and that you are aware of the consequences of your
16 plea, including the sentence which may be imposed; and because
17 I find that you are knowingly and voluntarily pleading guilty,
18 I accept your guilty plea and enter a judgment of guilty on
19 Count One of the information.

20 Now, the next step is that the probation department is
21 going to want to interview you in connection with a presentence
22 report that it will prepare. If you choose to speak to the
23 probation department, please make sure that everything you say
24 is truthful and accurate. I'm going to read that report very
25 carefully, and it's important to me in deciding what sentence

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1 to impose.

2 You and your counsel will have the right to examine
3 the report and to comment on it, both when it's in a draft form
4 and then again before and at the time of sentencing. So I urge
5 you to read that report carefully and discuss it with your
6 lawyer before sentencing. If there are any mistakes in it,
7 please point them out to your lawyer so that Mr. Rosen can
8 bring them to the attention of the probation department or to
9 my attention before sentence.

10 Mr. Rosen, do you wish to be present for any interview
11 in connection with the report?

12 MR. ROSEN: Yes, sir.

13 THE COURT: OK. I'll order that there will be no
14 interview unless counsel for Mr. Arkan is present.

15 Now, I understand that the parties have a request as
16 to when sentencing should occur.

17 MS. COHEN: That's correct, your Honor. The parties
18 propose that the sentencing occur after the related -- the
19 trial in the related case, and we would propose a date in
20 August or September.

21 THE COURT: OK. Give me one moment.

22 I'm looking at the week of August 11, and I'll propose
23 August 15. I'll give you some time to consult your calendars.

24 MR. ROSEN: Thank you, your Honor.

25 Acceptable to the defense, your Honor.

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1 MS. COHEN: That's fine for the government, your
2 Honor.

3 THE COURT: OK. We'll set the sentencing for 11 a.m.
4 on Friday, August 15.

5 Normally, I would direct the government to provide the
6 probation office with a factual statement within seven days. I
7 don't know if there's any reason why it might be appropriate
8 for a longer period of time here.

9 MS. COHEN: Yes, your Honor.

10 The proposed sentencing date is in contemplation of
11 having 90 days between the conclusion of the trial in the
12 related case and sentencing here, which is generally enough
13 time to conduct the PSR process. So we would propose that the
14 PSR be prepared after conclusion of the trial as well, so in
15 May.

16 THE COURT: OK. Why don't I say that the government
17 shall provide the probation office with a factual statement by
18 May 30.

19 MS. COHEN: That's fine, your Honor.

20 THE COURT: Thank you.

21 Mr. Rosen, I'll say that you should make Mr. Arkan
22 available for an interview with the probation department by
23 June 13, two weeks after the factual statement from the
24 government. Obviously, that's a ways out and if anything
25 changes between now and then --

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1 MR. ROSEN: Thank you, your Honor.

2 THE COURT: -- you all just let me know; we can adjust
3 those dates accordingly.

4 I will refer counsel to my individual rules and
5 practices for criminal cases, available on the court's website.
6 There are some rules there for sentencing submissions. In
7 accordance with those rules, defense submissions are due two
8 weeks prior to sentencing. Here, that's August 1.

9 The government's submissions are due one week prior to
10 sentencing. If we have to move the date of sentencing, for
11 whatever reason, those dates move automatically. So they don't
12 stay the same.

13 If either side does not intend to make a substantive
14 sentencing submission, just file a letter on ECF to that
15 effect.

16 I don't believe I have a restitution order at this
17 time. Is that right?

18 MS. COHEN: That's correct, your Honor. We'll provide
19 the Court one in advance of sentencing, if that's acceptable.

20 THE COURT: Yes, that's fine, Ms. Cohen.

21 If there are any victims that wish to be heard at
22 sentencing, please notify my chambers.

23 And then I understand there's a conversation to be had
24 about bail for Mr. Arkan.

25 MS. COHEN: That's right, your Honor. The parties

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1 have a jointly proposed package for the Court's consideration.

2 It would be a \$100,000 unsecured bond; the defendant
3 to surrender his passport and no new applications; travel
4 restricted to the District of New Jersey, the Eastern District
5 of New York and the Southern District of New York unless he
6 receives permission from pretrial services; supervision as
7 directed by pretrial services, and all other standard
8 conditions.

9 THE COURT: Mr. Rosen, I just want to confirm that
10 that's agreed upon.

11 MR. ROSEN: Yes. Yes, sir.

12 THE COURT: OK. I'll approve the bail package.

13 Is there anything else that either side would like to
14 raise today?

15 Ms. Cohen.

16 MS. COHEN: Not from the government. Thank you, your
17 Honor.

18 THE COURT: Mr. Rosen.

19 MR. ROSEN: No, sir. Thank you.

20 THE COURT: OK. Thank you all very much.

21 We're adjourned for today.

22 (Adjourned)